MDU RESOURCES GROUP, INC.

2018 Results

- 2018 earnings from continuing operations were **$269.4** million, or **$1.38** per share, compared to $284.2 million, or $1.45 per share in 2017.
  - 2017 results include a one-time benefit from tax reform of $39.5 million, or 20 cents per share.
- Initiated 2019 earnings per share guidance in a range of $1.35 to $1.55.
- Constuction services ended the year with record revenue, earnings and backlog.
- Construction materials completed four acquisitions throughout the year expanding its market coverage.
- Pipeline and midstream reported record transportation volumes for the eighth consecutive quarter.
- Utility completed several capital projects including the Thunder Spirit Wind expansion and the Big Stone-South-To-Ellendale transmission line.

"All our businesses performed very well in 2018. ... Both of our construction services and construction materials companies had record revenues and finished the year with record backlogs. ... Our pipeline and midstream business transported a record amount of natural gas in 2018."

Dave Goodin
President and CEO
MDU Resources Group, Inc.

Long-term EPS projection
5-8%
compound annual growth rate

Increased dividends
28
consecutive years

Paid dividends
81
consecutive years

Electric and Natural Gas Utilities

- Earnings of $84.7 million, compared to $81.6 million in 2017.
- 1.4% higher electric sales volumes.
- Customer base increased year-over-year by 1.8%.

Pipeline and Midstream

- Earnings of $28.5 million, compared to $20.5 million in 2017.
- Completed two organic growth projects that increased system capacity by 240 million cubic feet per day.
- Announced plans to construct the North Bakken Expansion Project.

Construction Services

- Record earnings of $64.3 million, compared to $53.3 million in 2017.
- Record revenues of $1.4 billion.
- Record backlog of $939 million, up 33% from 2017.
- Forecasted 2019 revenues of $1.35 billion to $1.50 billion.

Construction Materials

- Earnings of $92.6 million, compared to $123.4 million in 2017.
- Record revenues of $1.9 billion.
- Backlog of $706 million, up 45% from 2017.
- Forecasted 2019 revenues of $2.00 billion to $2.15 billion.